

AMENDED IN ASSEMBLY AUGUST 22, 2008
AMENDED IN ASSEMBLY AUGUST 18, 2008
AMENDED IN ASSEMBLY SEPTEMBER 7, 2007
AMENDED IN ASSEMBLY AUGUST 31, 2007
AMENDED IN ASSEMBLY JUNE 28, 2007
AMENDED IN ASSEMBLY JUNE 27, 2007
AMENDED IN SENATE JUNE 4, 2007
AMENDED IN SENATE MAY 25, 2007
AMENDED IN SENATE MAY 15, 2007
AMENDED IN SENATE APRIL 17, 2007

SENATE BILL

No. 732

**Introduced by Senator Steinberg
(Principal coauthor: Senator Negrete McLeod)
(Coauthor: Senator Wiggins)**

February 23, 2007

An act to amend Sections 75076 and 75077 of, and to add Chapter 12 (commencing with Section 75100) and Chapter 13 (commencing with Section 75120) to Division 43 of, the Public Resources Code, ~~relating to the environment, and making an appropriation therefor.~~
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LEGISLATIVE COUNSEL'S DIGEST

SB 732, as amended, Steinberg. Environment.

The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative statute approved by the voters at the November 7, 2006, statewide general election makes about \$5.4 billion in bond funds available for safe drinking water, water quality and supply, flood control, natural resource protection, and park improvements.

This bill would require the State Department of ~~Health Care Services~~ *Public Health*, the Department of Fish and Game, and the San Francisco Bay Area Conservancy, when implementing the provisions of the initiative, among other things, to develop and adopt guidelines and regulations, consult with other entities, conduct studies, and follow certain procedures for establishing a project, grant, loan, or other financial assistance program implementing the initiative.

The bill would establish the Strategic Growth Council and would appropriate \$500,000 from the funding provided by the initiative to the Resources Agency to support the council and its activities. The bill would require the council to take certain actions with regard to coordinating programs of member state agencies to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006, encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner. The council would be required to manage and award grants and loans to support the planning and development of sustainable communities, for preparing, adopting, and implementing general plans, general plan elements, regional plans, or other planning instruments, and for preparing, planning, and implementing urban greening plans. *The council would also be required to, not later than July 1, 2010, and every year thereafter, provide a report to the Legislature with specified information regarding the management of the grants and loans.*

The bill would provide that in any case in which the provisions of the bill and the initiative conflict, the initiative shall prevail.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 75076 of the Public Resources Code is
2 amended to read:

1 75076. Chapter 3.5 (commencing with Section 11340) of Part
2 1 of Division 3 of Title 2 of the Government Code does not apply
3 to the development and adoption of program guidelines and
4 selection criteria adopted pursuant to this division.

5 SEC. 2. Section 75077 of the Public Resources Code is
6 amended to read:

7 75077. Funds provided pursuant to this division, and any
8 appropriation or transfer of those funds, shall not be deemed to be
9 a transfer of funds for the purposes of Chapter 9 (commencing
10 with Section 2780) of Division 3 of the Fish and Game Code.

11 SEC. 3. Chapter 12 (commencing with Section 75100) is added
12 to Division 43 of the Public Resources Code, to read:

13
14 CHAPTER 12. IMPLEMENTATION PROVISIONS
15

16 75100. (a) (1) Each state agency disbursing a competitive
17 grant pursuant to this division shall develop project solicitation
18 and evaluation guidelines. The guidelines may include a limitation
19 on the size of a competitive grant to be awarded.

20 (2) Prior to disbursing a competitive grant, each state agency
21 shall conduct at least one public meeting to consider public
22 comments prior to finalizing the guidelines. Each state agency
23 shall publish the draft solicitation and evaluation guidelines on its
24 Internet Web site at least 30 days before the public meetings.
25 Meetings shall be held at geographically appropriate locations.
26 Upon adoption, each state agency shall transmit copies of the
27 guidelines to the fiscal committees and the appropriate policy
28 committees of the Legislature. To the extent feasible, each state
29 agency shall provide outreach to disadvantaged communities to
30 promote access and participation in those meetings.

31 (3) The guidelines may include a requirement for the applicant
32 to illustrate an ongoing commitment of financial resources, unless
33 the purposes of awarding a grant financed by this division is to
34 assist a disadvantaged community.

35 (4) The guidelines shall require a new grant solicitation for each
36 funding cycle. Each funding cycle shall consider only those
37 applications received as a part of the solicitation for that funding
38 cycle.

39 (b) Notwithstanding subdivision (a), a state agency, in lieu of
40 adopting guidelines pursuant to subdivision (a), may use guidelines

existing on January 1, 2007, *and those guidelines as periodically amended thereafter.*

75101. (a) For the purposes of implementing Section 75025, the State Department of ~~Health Care Services~~ *Public Health* shall do all of the following:

(1) Develop guidelines pursuant to Section 75100 in collaboration with the Department of Toxic Substances Control and the state board.

(2) In collaboration with the Department of Toxic Substances Control and the state board, develop and adopt regulations governing the repayment of costs that are subsequently recovered from parties responsible for the contamination.

(b) For the purposes of implementing subdivision (a) of Section 75050, the Department of Fish and Game, when funding a natural community conservation plan, shall fund only the development of a natural community conservation plan that is consistent with the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code).

(c) The San Francisco Bay Area Conservancy may use the funds made available pursuant to subdivision (c) of Section 75060 to restore the salt ponds in the south San Francisco Bay and to create trails and visitor facilities for public use in that area.

75102. Before the adoption of a negative declaration or environmental impact report required under Section 75070, the lead agency shall notify the proposed action to a California Native American tribe, which is on the contact list maintained by the Native American Heritage Commission, if that tribe has traditional lands located within the area of the proposed project.

75103. It is the intent of the Legislature that any public funds made available by this division to investor-owned utilities regulated by the Public Utilities Commission should be for the benefit of the ratepayers or the public and not the investors pursuant to oversight by the Public Utilities Commission.

75104. State agencies that are authorized to award a loan or grant financed by this division shall provide technical assistance with regard to the preparation of an application for a loan or grant in a manner that, among other things, addresses the needs of economically disadvantaged communities.

1 SEC. 4. Chapter 13 (commencing with Section 75120) is added
2 to Division 43 of the Public Resources Code, to read:

3
4 CHAPTER 13. STRATEGIC GROWTH COUNCIL AND CLIMATE
5 CHANGE REDUCTION
6

7 75120. For purposes of this chapter, the following definitions
8 shall apply:

9 (a) "Council" means the Strategic Growth Council established
10 pursuant to Section 75121.

11 (b) "Regional plan" means either of the following:

12 (1) A long-range transportation plan developed pursuant to
13 Section 134(g) of Title 23 of the United States Code and any
14 applicable state requirements.

15 ~~(2) A Regional Blueprint Plan, as defined in the California~~
16 ~~Regional Blueprint Planning Program, that is consistent with the~~
17 ~~statutory requirements that foster comprehensive planning, as~~
18 ~~provided in Section 65041 of the Government Code, Chapter 2.5~~
19 ~~(commencing with Section 65080) of Division 1 of Title 7 of the~~
20 ~~Government Code, and Article 10.6 (commencing with Section~~
21 ~~65580) of Chapter 3 of Division 1 of Title 7 of the Government~~
22 ~~Code.~~

23 *(2) A regional blueprint plan, which is a regional plan that*
24 *implements statutory requirements intended to foster*
25 *comprehensive planning as defined in Section 65041.1 of, Chapter*
26 *2.5 (commencing with Section 65080) of Division 1 of Title 7 of,*
27 *and Article 10.6 (commencing with Section 65580) of Chapter 3*
28 *of Division 1 of Title 7 of, the Government Code. A regional*
29 *blueprint plan articulates regional consensus and performance*
30 *outcomes on a more efficient land use pattern that supports*
31 *improved mobility and reduces dependency on single-occupancy*
32 *vehicle trips; accommodates an adequate supply of housing for*
33 *all income levels; reduces impacts on valuable farmland, natural*
34 *resources, and air quality, including the reduction of greenhouse*
35 *gas emissions, increases water and energy conservation and*
36 *efficiency; and promotes a prosperous economy and safe, healthy,*
37 *sustainable, and vibrant neighborhoods.*

38 75121. (a) The Strategic Growth Council is hereby established
39 in state government and it shall consist of the Director of State
40 Planning and Research, the Secretary of the Resources Agency,

1 the Secretary for Environmental Protection, the Secretary of
2 Business, Transportation and Housing, the Secretary of California
3 Health and Human Services, and one member of the public to be
4 appointed by the Governor. The public member shall have a
5 background in land use planning, local government, resource
6 protection and management, or community development or
7 revitalization.

8 (b) Staff for the council shall be reflective of the council's
9 membership.

10 75122. The members of the council shall elect a chair of the
11 council every two years.

12 75123. (a) The council's meetings shall be open to the public
13 and shall be subject to the Bagley-Keene Open Meeting Act
14 (Article 9 (commencing with Section 11120) of Chapter 1 of Part
15 1 of Division 3 of Title 2 of the Government Code).

16 (b) The council may sponsor conferences, symposia, and other
17 public forums, to seek a broad range of public advice regarding
18 local, regional, and natural resource planning, sustainable
19 development, and strategies to reduce and mitigate climate change.

20 75124. Of the funds made available pursuant to subdivisions
21 (a) and (c) of Section 75065, the sum of five hundred thousand
22 dollars (\$500,000) is hereby appropriated to the Resources Agency
23 to be used in support of the council and its activities in accordance
24 with this chapter.

25 75125. The council shall do all of the following:

26 (a) Identify and review activities and funding programs of
27 member state agencies that may be coordinated to improve air and
28 water quality, improve natural resource protection, increase the
29 availability of affordable housing, improve transportation, meet
30 the goals of the California Global Warming Solutions Act of 2006
31 (Division 25.5 (commencing with Section 38500) of the Health
32 and Safety Code), encourage sustainable land use planning, and
33 revitalize urban and community centers in a sustainable manner.
34 At a minimum, the council shall review and comment on the five
35 year infrastructure plan developed pursuant to Article 2
36 (commencing with Section 13100) of Chapter 2 of Part 3 of
37 Division 3 of the Government Code and the State Environmental
38 Goals and Policy Report developed pursuant to Section 65041 of
39 the Government Code.

1 (b) Recommend policies and investment strategies and priorities
2 to the Governor, the Legislature, and to appropriate state agencies
3 to encourage the development of sustainable communities, such
4 as those communities that promote equity, strengthen the economy,
5 protect the environment, and promote public health and safety,
6 and is consistent with subdivisions (a) and (c) of Section 75065.

7 (c) Provide, fund, and distribute data and information to local
8 governments and regional agencies that will assist in developing
9 and planning sustainable communities.

10 (d) Manage and award grants and loans to support the planning
11 and development of sustainable communities, pursuant to Sections
12 75127, 75128, and 75129. To implement this subdivision, the
13 council may do all of the following:

14 (1) Develop guidelines for awarding financial assistance,
15 including criteria for eligibility and additional consideration.

16 (2) Develop criteria for determining the amount of financial
17 assistance to be awarded. The council shall award a revolving loan
18 to an applicant for a planning project, unless the council determines
19 that the applicant lacks the fiscal capacity to carry out the project
20 without a grant. The council may establish criteria that would allow
21 the applicant to illustrate an ongoing commitment of financial
22 resources to ensure the completion of the proposed plan or project.

23 (3) Provide for payments of interest on loans made pursuant to
24 this article. The rate of interest shall not exceed the rate earned by
25 the Pooled Money Investment Board.

26 (4) Provide for the time period for repaying a loan made
27 pursuant to this article.

28 (5) Provide for the recovery of funds from an applicant that fails
29 to complete the project for which financial assistance was awarded.
30 The council shall direct the State Controller to recover funds by
31 any available means.

32 (6) Provide technical assistance for application preparation.

33 (7) Designate a state agency or department to administer
34 technical and financial assistance programs for the disbursing of
35 grants and loans to support the planning and development of
36 sustainable communities, pursuant to Sections 75127, 75128, and
37 75129.

38 (e) *No later than July 1, 2010, and every year thereafter, provide*
39 *a report to the Legislature that shall include, but is not limited to,*
40 *all of the following:*

- 1 (1) *A list of applicants for financial assistance.*
- 2 (2) *Identification of which applications were approved.*
- 3 (3) *The amounts awarded for each approved application.*
- 4 (4) *The remaining balance of available funds.*
- 5 (5) *A report on the proposed or ongoing management of each*
- 6 *funded project.*
- 7 (6) *Any additional minimum requirements and priorities for a*
- 8 *project or plan proposed in a grant or loan application developed*
- 9 *and adopted by the council pursuant to subdivision (c) of Section*
- 10 *75216.*

11 75126. (a) An applicant shall declare, in the application
12 submitted to the council for financial assistance for a plan or project
13 pursuant to this chapter, the applicant's intention to follow a
14 detailed budget and schedule for the completion of the plan or
15 project. The budget and schedule shall be of sufficient detail to
16 allow the council to assess the progress of the applicant at regular
17 intervals.

18 (b) A project or plan funded pursuant to this chapter shall meet
19 both of the following criteria:

20 (1) Be consistent with the state's planning policies pursuant to
21 Section 65041.1 of the Government Code.

22 (2) Reduce, on as permanent a basis that is feasible, greenhouse
23 gas emissions consistent with the California Global Warming
24 Solutions Act of 2006 (Division 25.5 (commencing with Section
25 38500) of the Health and Safety Code), and any applicable regional
26 plan.

27 (c) The council may develop additional minimum requirements
28 and priorities for a project or plan proposed in a grant and loan
29 application, including those related to improving air quality.

30 75127. (a) To support the planning and development of
31 sustainable communities, the council shall manage and award
32 financial assistance to a city or county for preparing, adopting, and
33 implementing a general plan or general plan element that is
34 designed to reduce greenhouse gas emissions, promote water
35 conservation, reduce automobile use and fuel consumption,
36 encourage greater infill and compact development, protect natural
37 resources and agricultural lands, and revitalize urban and
38 community centers.

39 (b) For the purposes of this section, the preparation and adoption
40 of a general plan may include a comprehensive update of a general

1 plan, amendment or adoption of an individual element of a general
2 plan, or any other revision consistent with the intent of Section
3 75065.

4 (c) For the purposes of this section, the implementation of a
5 general plan may include amendment or adoption of a specific
6 plan, community plan, zoning ordinance, or any other plan,
7 ordinance, or policy that is consistent with the intent of Section
8 75065.

9 (d) The funding provided pursuant to this section for the
10 preparation, adoption, and implementation of a general plan may
11 also include funding any activity necessary to conform a general
12 plan to a regional plan.

13 75128. (a) To support the planning and development of
14 sustainable communities, the council shall manage and award
15 financial assistance to a council of governments, metropolitan
16 planning organization, regional transportation planning agency,
17 city, county, or joint powers authority, to develop, adopt or
18 implement a regional plan or other planning instrument consistent
19 with a regional plan that improves air and water quality, improves
20 natural resource protection, increases the availability of affordable
21 housing, improves transportation, meets the goals of the California
22 Global Warming Solutions Act of 2006 (Division 25.5
23 (commencing with Section 38500) of the Health and Safety Code),
24 and encourages sustainable land use. The financial assistance
25 provided pursuant to this section shall be funded from moneys
26 made available pursuant to subdivision (c) of Section 75065.

27 (b) In awarding financial assistance pursuant to this section, the
28 council shall give first priority to an application seeking funding
29 to add or enhance elements of a regional plan that are not funded
30 with federal moneys.

31 75129. (a) To support the planning and development of
32 sustainable communities, the council shall manage and award
33 financial assistance to a city, county, or nonprofit organization for
34 the preparation, planning, and implementation of an urban greening
35 project that provides multiple benefits, including, but not limited
36 to, a decrease in air and water pollution, a reduction in the
37 consumption of natural resources and energy, an increase in the
38 reliability of local water supplies, or an increased adaptability to
39 climate change. An eligible project funded pursuant to this section
40 shall not include a mitigation action that is required under existing

1 law. The financial assistance provided pursuant to this section shall
2 be funded from moneys made available pursuant to subdivision
3 (a) of Section 75065.

4 (b) The council shall develop minimum requirements for funding
5 eligible projects pursuant to this section, which shall require a
6 project to meet at least one of the following criteria:

7 (1) Use natural systems, or systems that mimic natural systems,
8 to achieve the benefits identified in subdivision (a).

9 (2) Create, enhance, or expand community green spaces.

10 (c) The multiple benefits of a project, may include, but are not
11 limited to, the establishment or enhancement of one or more of
12 the following:

13 (1) Tree canopy.

14 (2) Urban forestry.

15 (3) Local parks and open space.

16 (4) Greening of existing public lands and structures, including
17 schools.

18 (5) Multi-objective stormwater projects, including construction
19 of permeable surfaces and collection basins and barriers.

20 (6) Urban streams, including restoration.

21 (7) Community, demonstration, or outdoor education gardens
22 and orchards.

23 (8) Urban heat island mitigation and energy conservation efforts
24 through landscaping and green roof projects.

25 (9) Nonmotorized urban trails that provide safe routes for both
26 recreation and travel between residences, workplaces, commercial
27 centers, and schools.

28 (d) The council shall give additional consideration to a funding
29 project pursuant to this section that meets ~~either, or both,~~ *one or*
30 *more* of the following criteria:

31 (1) The project uses interagency cooperation and integration.

32 (2) The project uses existing public lands and facilitates use of
33 public resources and investments including schools.

34 (3) *The project is proposed by an economically disadvantaged*
35 *community.*

36 (e) Up to 25 percent of the moneys allocated pursuant to
37 subdivision (a) of Section 75065 may be used to award revolving
38 loans or grants to a council of governments, countywide authority,
39 a metropolitan planning organization, local government, or
40 nonprofit organization, for the purpose of creating urban greening

1 plans that will serve as the master document guiding and
2 coordinating greening projects in the applicant's jurisdiction. These
3 urban greening plans shall be consistent with the jurisdiction's
4 general plan or regional plan, where one exists.

5 75130. This chapter does not authorize the council to take an
6 action with regard to the exercise of a local government's land use
7 permitting authority.

8 SEC. 5. In any case in which any of the provisions of this act,
9 and Division 43 (commencing with Section 75001) of the Public
10 Resources Code conflict, that division shall prevail.

11 SEC. 6. The provisions of this act are severable. If any
12 provision of this act or its application is held invalid, that invalidity
13 shall not affect other provisions or applications that can be given
14 effect without the invalid provision or application.